

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7036

BILL NUMBER: HB 1367

NOTE PREPARED: Jan 30, 2012

BILL AMENDED: Jan 30, 2012

SUBJECT: Deaf and hearing impaired education services.

FIRST AUTHOR: Rep. Noe

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) The bill has the following provisions:

Center for Deaf and Hard of Hearing Education: This bill establishes the Center for Deaf and Hard of Hearing Education (center) to ensure that children who are deaf or hard of hear acquire optimal communication and academic abilities. It transfers the outreach services and consultative services to local education agencies to assist in meeting the needs of locally enrolled students with hearing disabilities from the Indiana School for the Deaf (ISD) to the Center.

OMB Action: The bill provides that before October 1, 2012, the Office of Management and Budget (OMB) must submit a transition report to the State Budget Committee. It requires OMB to develop the transition report in consultation with various entities. It requires OMB to conduct two public meetings prior to submitting its transition report. It requires OMB to post the transition report on the State Budget Agency's Internet web site. It requires the State Budget Committee to consider the transition report in the state budget report and budget bill. It provides that before July 1, 2013, OMB shall determine an appropriate agency to provide office space and staff support for the center.

Academic Performance: The bill also provides that the Indiana School for the Blind and Visually Impaired (ISBV) and the Indiana School for the Deaf are subject to accountability provisions for performance and improvement.

Technical Corrections: The bill changes references throughout the Indiana Code from "hearing impaired" to "hard of hearing".

Effective Date: Upon passage; July 1, 2012; July 1, 2013

Explanation of State Expenditures: *Summary:*

(1) *OMB Action:* The bill's requirements are within OMB's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

(2) *Academic Performance:* The immediate impact is negligible. However, the schools would be subject to possible state sanctions depending on their future academic performance. Current sanctions for placing in the lowest performance category for four to six years include a review of the school's improvement plan, reallocation of resources, closing or merging the school, being operated by special management team or other sanctions as determined by the State Board of Education.

Center for Deaf and Hard of Hearing Education: Under current law, the ISD is established as a state educational resource center that includes the following:

1. A residential and day school.
2. Outreach services.
3. Consultative services to local educational agencies to assist the agencies in meeting the needs of locally enrolled students with hearing disabilities.

Under this bill, the outreach services and consultative services would be transferred to the center, a new organization. The mission for the center (either directly or contractually) would be as follows:

1. Monitor and track the identification, early intervention, education and successful transition of children who are hard of hearing from birth through 21 years of age, and who are enrolled or preparing to enroll in early intervention services, preschool, elementary, or secondary school.
2. Provide professional development opportunities for those who work with children who are deaf or hard of hearing.
3. Train the parents of deaf and hard of hearing children, and provide support for the method of communication and language for the child that each family chooses.
4. Develop student learning opportunities.
5. Provide assessment services to include audiological, communication, educational assessments, and classroom assessments of instruction, acoustics, and other environmental aspects.
6. Assess professionals who provide students with sign language interpreting, oral interpreting, cued speech transliteration, and captioning services.
7. Provide consultation to school corporations in providing services to students who are deaf or hard of hearing.
8. Act as a liaison with all state agencies that provide services to individuals who are deaf or hard of hearing.

(Revised) *OMB Action:* The bill directs OMB to consult with pertinent state agencies and non-governmental entities to develop a transition plan to implement and administer the center. As part of this process, OMB is directed to hold two public hearings on the issue. The plan is to be submitted to the Budget Committee before October 1, 2012. OMB shall also post the transition plan on its website.

The plan must include a detailed description of how the new center will carry out its mission, the criteria to be

used in selecting the agency that would provide office space and staff support for the center, the estimated costs of operating the center, and the fiscal impact on the ISD resulting from the transfer of the outreach and consultative service to the new center.

According to the bill, before July 1, 2013, OMB would select the agency to provide office space and staff support for the center. The Budget Committee would review the transition plan in determining the budget for the center for FY 2014 and FY 2015.

Academic Performance: Effective July 1, 2012, the bill provides that the ISBV and the ISD would have to adhere to the same student performance and accountability standards as public schools, and be subject to sanctions for failure to meet those standards.

From 2006 to 2011 (there were no ratings for 2009), the ISD achieved the following performance ratings, starting with 2006: Academic Probation, Academic Watch, Academic Probation, Academic Probation, Academic Progress.

The ISBV achieved the following ratings: Academic Probation; Academic Probation; Academic Probation; Academic Probation; Academic Progress.

Current law dictates that a school is placed on probation if its performance rating is in the Academic Probation category. If it remains in this category for the next three years after first being placed on probation, the State Board has to appoint an expert team to assist the school. Based on these ratings, the State Board would have had to appoint an expert team to assist the ISBV after it placed in the Academic Probation category for the fourth successive year. Apart from being placed on probation, the ISD's performance would not have warranted any further state intervention.

Background Information:

The ISD is a fully accredited school for deaf and hard-of-hearing students in nursery school through high school. It provides services to approximately 340 students enrolled on campus and over 830 students through outreach services. About 60 percent of the students live on campus during the academic year. The school offers a full range of social activities, including sports, clubs, and student organizations.

The ISD also sponsors outreach services throughout Indiana for parents, families, and local school corporations. These services include consultation, education and training, assessment, audiology, American Sign Language programs, and a Parent-Infant program.

The total appropriation for the school in FY 2012 and FY 2013 is approximately \$17.8 M for each fiscal year.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana School for the Deaf; Office of Management and Budget; State Budget

Committee.

Local Agencies Affected:

Information Sources: Department of Education website, <http://www.doe.in.gov/pl221/>;
Indiana School for the Deaf website, <http://www.deafhoosiers.com/>

Fiscal Analyst: David Lusan, 317-232-9592.